

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)	
WEST OLDHAM UTILITIES, INC.)	CASE NO. 92-011

O R D E R

On January 2, 1992, West Oldham Utilities, Inc. ("West Oldham") filed its revised tariff with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure, KRS 278.015 and 807 KAR 5:067.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. West Oldham purchases water from Louisville Water Company ("Louisville").

2. Effective January 1, 1992, Louisville increased its rates for water sold to West Oldham from \$1.06 per 1,000 gallons to \$1.10 per 1,000 gallons. There was an increase in the \$255.06 monthly service charge to \$262.86. However, there was no increase in the elevated service area surcharge of \$.19 per 1,000 gallons. Based on 5,000 gallons average monthly usage, the average bi-monthly bill for a West Oldham customer will increase from \$28.76 to \$29.26, which is an increase of 1.74 percent.

3. West Oldham proposed to implement the increased rates to its customers January 1, 1992. Pursuant to 807 KAR 5:067, Section

2(3), an applicant shall not implement the increased rates until the Commission issues an Order authorizing the applicant to adjust its rates. If West Oldham has collected any funds under the increased rates prior to the date of this Order, it should refund to the customers the excess rate charged within 60 days from the date of this Order. KRS 278.190.

4. During the 12 months ending December 31, 1991, West Oldham purchased 57,484,000 gallons of water and sold 52,602,000 gallons.

5. West Oldham's calculations are incorrect, resulting in a purchased water adjustment of 4 cents per 1,000 gallons. The increase in the cost of purchased water is \$2,393, resulting in a purchased water adjustment of 5 cents per 1,000 gallons as shown in Appendix B.

6. The purchased water adjustment of 5 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The rates proposed by West Oldham are denied.

2. The purchased water adjustment of 5 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after the date of this Order.

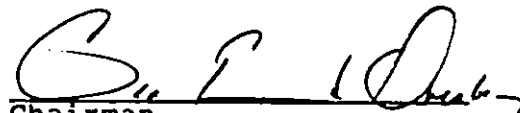
3. Within 30 days of the date of this Order, West Oldham shall file its revised tariff sheet setting out the rates approved herein.

4. If West Oldham has collected any funds under the increased rates prior to the date of this Order, it shall refund to the customer the excess rate charged within 60 days from the date of this Order.

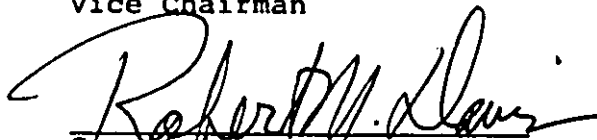
5. Within 30 days of the date of this Order, West Oldham shall file a written statement stating whether it charged or collected any funds under the increased rates proposed herein prior to the date of this Order. If excess rates have been charged or collected, the written statement shall include the date the funds were received, the amount charged or collected, and a plan to refund to the customers the excess rate charged within 60 days of the date of this Order.

Done at Frankfort, Kentucky, this 27th day of January, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 92-011 DATED 1/27/92

The following rates and charges are prescribed for the customers in the area served by West Oldham Utilities, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Bi-Monthly Water Rates

5/8 x 3/4 Inch Meters

First	2,000 gallons	\$ 9.98 Minimum Bill
Over	2,000 gallons	2.41 per 1,000 gallons

1 Inch Meters

First	10,000 gallons	\$ 29.26 Minimum Bill
Over	10,000 gallons	2.41 per 1,000 gallons

1 1/2 Inch Meters

First	20,000 gallons	\$ 53.36 Minimum Bill
Over	20,000 gallons	2.41 per 1,000 gallons

2 Inch Meters

First	30,000 gallons	\$140.55 Minimum Bill
Over	30,000 gallons	2.41 per 1,000 gallons

3 Inch Meters

First	70,000 gallons	\$327.95 Minimum Bill
Over	70,000 gallons	2.41 per 1,000 gallons

4 Inch Meters

First	130,000 gallons	\$589.05 Minimum Bill
Over	130,000 gallons	2.41 per 1,000 gallons

6 Inch Meters

First	300,000 gallons	\$ 1,405.50 Minimum Bill
Over	300,000 gallons	2.41 per 1,000 gallons

8 Inch Meters

First 500,000 gallons	\$ 2,342.50 Minimum Bill
Over 500,000 gallons	2.41 per 1,000 gallons

10 Inch Meters

First 800,000 gallons	\$ 3,748.00 Minimum Bill
Over 800,000 gallons	2.41 per 1,000 gallons

12 Inch Meters

First 1,200,000 gallons	\$ 5,622.00 Minimum Bill
Over 1,200,000 gallons	2.41 per 1,000 gallons

16 Inch Meters

First 2,000,000 gallons	\$ 9,370.00 Minimum Bill
Over 2,000,000 gallons	2.41 per 1,000 gallons

20 Inch Meters

First 3,200,000 gallons	\$14,992.00 Minimum Bill
Over 3,200,000 gallons	2.41 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 92-011 DATED 1/27/92

PURCHASED WATER ADJUSTMENT

Water Purchased: Louisville Water Company	57,484,000 gallons
Water Sold:	52,602,000 gallons

Cost at Changed Rate:

57,484.0 m. gallons x \$1.29	= \$74,154.36
\$262.86 x 12	= 3,154.32
	<u>\$77,308.68</u>

Less

Cost at Base Rate:

57,484.0 m. gallons x \$1.25	= \$71,855.00
\$255.06 x 12	= 3,060.72
	<u>\$74,915.72</u>

Increase in Purchase Costs: \$ 2,392.96

\$2,392.96 ÷ 52,602.0 m. gallons = \$.0455 or \$.05/1,000 gallons